

EXHIBIT F

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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re:

CELSIUS NETWORK LLC, et al.,

Debtor.

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REMOTE DEPOSITION OF TIM BROADFOOT

Thursday, August 31, 2023

Reported by:

Rebecca Schaumloffel, RPR, CLR

JOB #: 2023-909835

TIME: 6:34 a.m. Eastern

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07:46AM 2 Delivery of units, when is the
07:46AM 3 first time that Mawson contends that Celsius
07:46AM 4 fell behind on delivering units?

07:46AM 5 A. Celsius would have been behind on
07:46AM 6 delivering units in June or July of 2022.

07:46AM 7 Q. June or July of '22, okay.

07:46AM 8 At any point before June or July
07:46AM 9 of '22, did Mawson indicate to Celsius that
07:46AM 10 it would not be able to host at the
07:46AM 11 Pennsylvania sites all of the rigs that were
07:46AM 12 scheduled under the Co-Location Agreement?

07:46AM 13 A. Yes, it did.

07:46AM 14 Q. Okay. So if Mawson informed
07:46AM 15 Celsius that it was not able to host all of
07:47AM 16 the rigs called for by the schedule under the
07:47AM 17 Co-Location Agreement, doesn't it seem a
07:47AM 18 little silly to retain a power deposit on the
07:47AM 19 basis of Celsius falling behind when Mawson
07:47AM 20 told them we can't hook up your rigs?

07:47AM 21 MR. MARTOS: Object to form.

07:47AM 22 A. The Company came to an arrangement
07:47AM 23 with Celsius to deploy rigs at an ultimate
07:47AM 24 site that allowed for quicker deployment,
07:47AM 25 considering that the construction of the

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08:26AM 2 question?

08:26AM 3 Q. Sure.

08:26AM 4 Recognizing that you haven't
08:26AM 5 independently done an analysis, do you have
08:26AM 6 any understanding one way or the other as to
08:26AM 7 whether Luna was undercapitalized at any
08:26AM 8 point from 2022 to the present?

08:26AM 9 MR. MARTOS: Same objections as
08:26AM 10 before.

08:26AM 11 A. Pending during the analysis, there
08:26AM 12 is potential that it was at times.

08:27AM 13 Q. So what's that understanding or
08:27AM 14 what's that -- when you say there was a
08:27AM 15 potential for that to be true, what's that
08:27AM 16 based on? Just your general knowledge,
08:27AM 17 discussions, what?

08:27AM 18 MR. MARTOS: Object to form.
08:27AM 19 Outside the scope of the 30(b)(6)
08:27AM 20 topics. And to the extent you are
08:27AM 21 asking whether the Company was legally
08:27AM 22 undercapitalized, objection to the
08:27AM 23 extent that it calls for that legal
08:27AM 24 opinion.

08:27AM 25 BY MR. MCCARRICK:

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08:27AM 2 Q. You can answer.

08:27AM 3 A. The Company on its books and
08:27AM 4 records has always had positive net assets.

08:27AM 5 However, depending the definition of point in
08:28AM 6 time of undercapitalized, the entity could
08:28AM 7 have been.

08:28AM 8 Q. Recognizing that Luna could not,
08:28AM 9 today, pay a \$15.3 million judgment for
08:28AM 10 unpaid -- or withdrawn.

08:28AM 11 For -- withdraw the entire
08:28AM 12 question.

08:28AM 13 Recognizing that Luna, today,
08:28AM 14 could not pay a \$15.3 million judgment, would
08:28AM 15 Mawson Infrastructure Group or Cosmos be able
08:28AM 16 to satisfy a judgment of \$15 million?

08:28AM 17 A. If the judgment was brought to
08:28AM 18 transfer available funds, immediate venture,
08:29AM 19 no.

08:29AM 20 Q. So none of the three Mawson
08:29AM 21 entities, separately or together, today could
08:29AM 22 satisfy a \$15.3 million judgment, correct?

08:29AM 23 MR. MARTOS: Object to form.

08:29AM 24 Q. You can answer.

08:29AM 25 A. That's correct.

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08:32AM 2 Promissory Note.

08:32AM 3 What specifically is that
08:32AM 4 collateral under the Promissory Note?

08:32AM 5 A. It's a few thousand Bitcoin miners
08:32AM 6 and approximately 50 modular data centers and
08:32AM 7 approximately 50 transformers.

08:32AM 8 Q. Okay. So it's your testimony that
08:32AM 9 the Collateral -- the asset -- withdrawn.

08:32AM 10 It's your testimony that the asset
08:32AM 11 collateral under the Promissory Note is
08:32AM 12 approximately 2,000 miners, 50 containers,
08:32AM 13 and 50 transformers, correct?

08:32AM 14 A. Approximately. The successive
08:32AM 15 register that was shared specified the exact
08:32AM 16 numbers.

08:33AM 17 Q. Understood. I'm just asking for
08:33AM 18 rough justice.

08:33AM 19 A. Roughly, yes.

08:33AM 20 Q. All right. What Mawson entity was
08:33AM 21 that collateral acquired into?

08:33AM 22 A. It was acquired into Cosmos
08:33AM 23 Infrastructure, LLC, and Mawson
08:33AM 24 Infrastructure Group, Incorporated.

08:33AM 25 Q. Were those the correct entities to

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08:33AM 2 acquire the Collateral under the Promissory
08:33AM 3 Note?

08:33AM 4 A. Those entities were added to the
08:33AM 5 agreement.

08:33AM 6 Q. My question was different.
08:33AM 7 My question was, were those the
08:34AM 8 correct entities to acquire the Collateral
08:34AM 9 under the terms of the note, recognizing that
08:34AM 10 they were parties to the note?

08:34AM 11 A. The Collateral initially was meant
08:34AM 12 to purchase into Luna Squares.

08:34AM 13 Q. Through the Promissory Note, the
08:34AM 14 Collateral is required to be acquired into
08:34AM 15 Luna Squares, correct?

08:34AM 16 A. I cannot give a definitive on that
08:34AM 17 without rereading that contract and getting
08:34AM 18 legal.

08:34AM 19 Q. Well, you read the Promissory Note
08:34AM 20 in preparing for the deposition, correct?

08:34AM 21 A. I did.

08:34AM 22 Q. And you are prepared to testify as
08:34AM 23 to the ownership, property interest, liens
08:35AM 24 against, location, and perfection of the
08:35AM 25 Collateral, correct?

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08:35AM 2 A. I am.

08:35AM 3 Q. And is it Mawson's position that
08:35AM 4 Luna Squares was the correct entity to
08:35AM 5 acquire the Collateral, not Cosmos from
08:35AM 6 Mawson Infrastructure Group?

08:35AM 7 A. Current review of the documents,
08:35AM 8 I -- my understanding is that it was meant to
08:35AM 9 be purchased in Luna Squares. However, I
08:35AM 10 cannot recall each paragraph of that contract
08:35AM 11 that -- for certainty of definition.

08:35AM 12 Q. Understood. So it's just fair to
08:35AM 13 say that your working understanding, sitting
08:35AM 14 here today, is that based on your review of
08:35AM 15 the Promissory Note and recognizing that you
08:35AM 16 don't have every paragraph in front of you,
08:35AM 17 the Collateral, the asset collateral under
08:35AM 18 the Promissory Note was meant to be purchased
08:36AM 19 into Luna Squares, correct?

08:36AM 20 A. Correct.

08:36AM 21 Q. Why wasn't it?

08:36AM 22 A. The assets that were to be
08:36AM 23 purchased were under -- they were part of
08:36AM 24 larger, longer-term orders, and contracts
08:36AM 25 that were held by the other entities. This

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08:36AM 2 was communicated to Celsius, that that is how
08:36AM 3 it would need to be done in order to
08:36AM 4 construct per the plan of construction and
08:36AM 5 that it would be required to be intercompany
08:36AM 6 invoicing of those acquired assets.

08:37AM 7 Q. Just to make sure I understand the
08:37AM 8 testimony, it's your testimony that the
08:37AM 9 reason that Cosmos and Mawson's -- Mawson
08:37AM 10 Infrastructure Group ended up purchasing the
08:37AM 11 asset collateral under the Promissory Note is
08:37AM 12 because those purchases were part of longer
08:37AM 13 and larger orders with those Mawson entities
08:37AM 14 that Luna wasn't a part of, right?

08:37AM 15 A. The entities that bought the
08:37AM 16 equipment at the contracts with the suppliers
08:37AM 17 for that equipment, not Luna Squares.

08:37AM 18 Q. Okay. And it's your testimony
08:37AM 19 that was communicated to Celsius?

08:37AM 20 A. Correct.

08:37AM 21 Q. Okay. Did Celsius ever ask for
08:37AM 22 the Collateral to be put in the right box, so
08:37AM 23 to speak, with Luna Squares?

08:37AM 24 MR. MARTOS: Object to form.

08:38AM 25 A. Yes.

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08:38AM 2 Q. Did Mawson do that?

08:38AM 3 A. Not at this day.

08:38AM 4 Q. Why?

08:38AM 5 A. Mawson was requested to do it at a
08:38AM 6 time where the debt obligations were
08:38AM 7 impossible to default or close to default,
08:38AM 8 and moving assets at that time would not have
08:38AM 9 been proper.

08:38AM 10 Q. So the reason that Mawson has not
08:38AM 11 placed the asset collateral under the
08:38AM 12 Promissory Note with Luna, the right Mawson
08:38AM 13 entity, is because of the debt obligations of
08:39AM 14 Cosmos and Mawson Infrastructure Group?

08:39AM 15 MR. MARTOS: Object to form.

08:39AM 16 Misstates prior testimony.

08:39AM 17 A. When requested by Celsius, which
08:39AM 18 was in July 2023, that is the reason. But no
08:39AM 19 transfers were completed.

08:39AM 20 Q. Could Mawson effectuate those
08:39AM 21 transfers today?

08:39AM 22 A. Mawson would need to seek legal
08:39AM 23 advice. However, physically, it could.

08:39AM 24 Q. Okay. Fair to say that the
08:40AM 25 reasons that Mawson would not put the

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08:40AM 2 Collateral with the Mawson entity that's
08:40AM 3 supposed to have it under the Promissory Note
08:40AM 4 would be because of potential debt
08:40AM 5 obligations and potential default with Cosmos
08:40AM 6 and Mawson Infrastructure Group, not the
08:40AM 7 terms of the Promissory Note?

08:40AM 8 MR. MARTOS: Object to form.

08:40AM 9 A. The reasons to not transfer assets
08:40AM 10 is specified in legal communications. So I
08:40AM 11 don't believe I can speak to it.

08:41AM 12 Q. Okay. Do you have a view on
08:41AM 13 whether or not Cosmos and Mawson
08:41AM 14 Infrastructure Groups, its possession of the
08:41AM 15 asset collateral, whether or not that impairs
08:41AM 16 Celsius' security interest in it?

08:41AM 17 A. My -- the view is that it does
08:41AM 18 not. However, I caveat that I'm not -- I'm
08:41AM 19 not an expert on perfection of collateral.

08:41AM 20 Q. Understood.

08:41AM 21 All right. Let me ask you this:
08:41AM 22 At any point during the course of the
08:41AM 23 parties' agreement, has Luna owned the asset
08:41AM 24 collateral under the Promissory Note?

08:41AM 25 A. No.

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08:41AM 2 MR. MARTOS: Object to form.

08:41AM 3 Q. Was that a "no"?

08:41AM 4 A. No.

08:42AM 5 Q. At any point during the course of
08:42AM 6 the parties' agreement, has Luna been in
08:42AM 7 possession of Celsius' collateral under the
08:42AM 8 Promissory Note?

08:42AM 9 A. No.

08:42AM 10 Q. At any point during the course of
08:42AM 11 the parties' agreement, has Luna been the
08:42AM 12 entity listed on any asset register for
08:42AM 13 Celsius' collateral?

08:42AM 14 A. No.

08:42AM 15 Q. At any point, did -- or let me ask
08:42AM 16 you this: At any point, has Mawson told
08:42AM 17 Celsius, in words or in substance, that Luna
08:42AM 18 owned or was in possession of Celsius'
08:42AM 19 collateral?

08:42AM 20 A. No.

08:42AM 21 Q. Well, you repped to that in the
08:42AM 22 Promissory Note, didn't you?

08:42AM 23 A. The Promissory Note was a
08:42AM 24 forward-looking. The Collateral, at the time
08:42AM 25 of the Promissory Note, was in -- the

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09:04AM 2 Q. Was Mawson able at all times
09:04AM 3 during the parties' agreement to accept
09:04AM 4 delivery of rigs according to the parties
09:04AM 5 schedule?

09:04AM 6 A. Delivery of rigs could have been
09:04AM 7 facilitated at all times subject to
09:04AM 8 short-term variate or short-term scheduling
09:04AM 9 of arrivals.

09:04AM 10 Q. Okay. Was Mawson able, at all
09:05AM 11 times during the parties' agreement, to
09:05AM 12 deploy rigs according to the parties'
09:05AM 13 schedule?

09:05AM 14 A. No.

09:05AM 15 Q. Okay. Let's look at Topic No. 14.
09:05AM 16 You are prepared to testify to
09:05AM 17 Topic 14, correct?

09:05AM 18 A. I am.

09:05AM 19 Q. All right. Can we look at Topic
09:05AM 20 No. 15.

09:05AM 21 Are you prepared as to Topic No.
09:05AM 22 15?

09:05AM 23 A. Yes.

09:05AM 24 Q. And then just discussing, at a
09:05AM 25 general level, the power arrangement between

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09:11AM 2 You can ask your questions. But
09:11AM 3 the objection stands.

09:11AM 4 THE WITNESS: Do I answer?

09:11AM 5 Sorry.

09:11AM 6 BY MR. MCCARRICK:

09:11AM 7 Q. Yeah, you can answer.

09:11AM 8 A. What do you count as leadership?

09:11AM 9 Q. Let's do it this way: Are the
09:11AM 10 board members across the three Mawson
09:11AM 11 entities the same?

09:11AM 12 A. There is no board for the
09:12AM 13 subsidiaries.

09:12AM 14 Q. So there is only a board for
09:12AM 15 Mawson Infrastructure Group?

09:12AM 16 A. Correct.

09:12AM 17 Q. And that board directs the
09:12AM 18 activity of the subsidiaries through Mawson
09:12AM 19 Infrastructure Group?

09:12AM 20 A. It does.

09:12AM 21 Q. Okay. And then there is obviously
09:12AM 22 executive teams for Mawson Infrastructure
09:12AM 23 Group, Luna, and Cosmos, correct?

09:12AM 24 MR. MARTOS: Objection.

09:12AM 25 And, T.J., I'm looking back at

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09:12AM 2 the -- at least the rough, and I'm not
09:12AM 3 sure it came out clearly. We object
09:12AM 4 to this entire line of questioning as
09:12AM 5 outside the scope of 30(b)(6). I'm
09:12AM 6 not sure that came out clearly in the
09:12AM 7 transcript that I'm able to read in
09:12AM 8 the live time. So just to be clear,
09:12AM 9 there is a standing objection to these
09:12AM 10 questions about the organizational
09:12AM 11 structure, that they are outside the
09:12AM 12 30(b)(6) topics.

09:12AM 13 There's a standing objection on
09:12AM 14 that, but I won't object each time,
09:12AM 15 and you can ask questions as subject
09:13AM 16 to the objection.

09:13AM 17 MR. MCCARRICK: Fine by me. And
09:13AM 18 I heard your objection, so don't
09:13AM 19 worry.

09:13AM 20 MR. MARTOS: I just want to make
09:13AM 21 sure. Thanks.

09:13AM 22 BY MR. MCCARRICK:

09:13AM 23 A. The executive team in the group
09:13AM 24 services all entities.

09:13AM 25 Q. Okay.

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09:13AM 2 A. Provides services to all entities.

09:13AM 3 Q. Do the different Mawson entities
09:13AM 4 maintain separate books and records?

09:13AM 5 A. Yes.

09:13AM 6 Q. Okay. Is there a different
09:13AM 7 accounting team for each of the different
09:13AM 8 Mawson entities?

09:13AM 9 A. No.

09:13AM 10 Q. Okay.

09:13AM 11 MR. MCCARRICK: I'm actually
09:13AM 12 okay -- I think we can go off the
09:13AM 13 record. That's all I have for today.
09:13AM 14 We can resume tomorrow for the
09:13AM 15 remainder. It will be a little bit
09:14AM 16 more document heavy than today was,
09:14AM 17 preview of coming attractions, but
09:14AM 18 that's all I've got for today.

09:14AM 19 MR. MARTOS: So quick follow-up
09:14AM 20 question on the record.

09:14AM 21 Are you adjourning the
09:14AM 22 deposition, and we are going to
09:14AM 23 restart tomorrow as if it were a
09:14AM 24 second, or are you continuing the
09:14AM 25 deposition through tomorrow per the